

Learning from informal markets: Innovative approaches to land and housing provision

Paper to be presented at the ESF/N-AERUS and UNRISD Workshop 'Cities of the South: Sustainable for whom?', Geneva, 3 - 6 May, 2000

Erhard Berner

Dr Erhard Berner is a Lecturer in Local and Regional Development at the Institute of Social Studies, The Hague, The Netherlands.

Correspondence address:

P.O. Box 29776

2502 LT The Hague

E-mail: berner@iss.nl

Learning from informal markets: Innovative approaches to land and housing provision

Erhard Berner

Abstract

Substandard and insecure housing conditions are recognised as a crucial aspect of urban poverty. In most large cities in the developing world, the formal market serves only a minority of the population. It is estimated that between 30 and 70% live in 'irregular' settlements and that up to 85% of the new housing stock is produced in an extra-legal manner, with severe social and environmental consequences. John Turner's groundbreaking work and the first Habitat conference in Vancouver 1976 became markers of a paradigm shift towards an enabling and participatory approach to housing provision. However, little progress has been made in translating the new paradigm into practical and sustainable policies. Relocation schemes, social housing, slum upgrading, and sites and services are beset by two related problems: They are far too small-scale to serve the growing demand, and products are far too expensive to be affordable for low-income groups.

Based on Pal Baross's argument, the paper states that the conventional sequence of Planning-Servicing-Building-Occupation is a key factor in both market and state failures. Each of these steps leads to a steep price increase and speculation, and in effect raw land is turned into a scarce and expensive commodity. In informal subdivisions the sequence is reversed. Housing and infrastructure are developed and improved incrementally, according to the needs and capacity of residents. To incorporate this logic into public policies is a promising approach to the alleviation of housing poverty. The paper introduces the Philippines' 'Community Mortgage Program' and Hyderabad's incremental development scheme 'Khuda ki Basti' as best practices in this direction. Both programmes have effectively enhanced the supply of land and housing for low-income groups, albeit on a very different scale. Their replicability is a question of political will rather than a technical one. Vested interests in both formal and informal land markets are likely to put up stiff resistance against serious reforms in this sector.

Introduction: The urbanisation of poverty

Rapid growth of illegal settlements in and around cities can be viewed not as the growth of slums but, in a very real sense, as the development of cities which are more appropriate to the local culture, climate and conditions than the plans produced by the governments of these same cities.

Hardoy and Satterthwaite (1989: 8)

The 1980s and 1990s have witnessed an unprecedented acceleration of urbanisation processes world-wide. Very soon city dwellers will outnumber those in rural areas, and virtually all of this growth is taking place in developing countries. While this trend is nearly complete in most of Latin America, latecomers like the countries of Sub-Saharan Africa are rapidly catching up. Urbanisation has in the past been seen as a positive process, linked to modernisation, industrialisation and global integration. In recent years, however, it has become obvious that relatively well-paid and secure employment in the public and formal sector is available only for a shrinking minority of the urban population. Economic restructuring driven by global competition and often accompanied by Structural Adjustment Programmes, is destroying many of these jobs and forces an increasing number of people to eke out a living in the informal sector. Urban poverty poses a daunting challenge to international, national and local development policies: 'More than 600 million people in cities and towns throughout the world are homeless or live in life- or health-threatening situations. Unless a revolution in urban problem solving takes place, this numbing statistic will triple by the time the next century passes its first quarter' (N'Dow 1996: xxi).

In only very few countries have the urban crisis and worsening living conditions curbed migration from the countryside. Cities still serve as safety valves for rural economies which are doing even worse: 'Most people flee to the cities because no matter how life there may be, it is generally better than the rural one they are leaving behind. Their new homes may be squalid shanties without plumbing or heat. But at least in the cities they have opportunity' (Newsweek: Megacities, 10 June 1996). The fundamental precondition of grasping opportunity is precarious though: It is access to urban space which means access to the city itself. Kolstee et al. (1994: 27) describe the policies of the 'closed city':

The urban authorities have tried to discourage new migrants in various ways. The harshest measures include levelling illegal settlements, expelling migrants without residence permits, arresting illegal workers, campaigns against street trading, prohibiting certain occupations and mass deportation. (...) Such measures have seldom had the desired effect and certainly not permanently.

In most developing countries, the formal market mechanism has systematically failed to satisfy the rapidly increasing housing needs of the population. It is estimated that between 30 and 70% live in 'irregular' settlements, with a growing tendency (Durand-Lasserre 1997: 11); according to UNCHS (1996: 200), 64% of the housing stock in low-income countries, and up to 85% of newly produced housing, is unauthorised. Self-help housing, *vulgo* squatting, has long been seen as detrimental to sound urban development and orderly planning. In the last two decades it is increasingly recognised as the only means available to fulfil the immense demand for mass housing in the cities, and thus a solution rather than

a problem. John Turner's influential book 'Housing by people' (1976)¹ and the first Habitat conference in Vancouver 1976 are markers of this paradigm shift towards an 'enabling approach' (UNCHS 1996: 337ff.; Pugh 1997). 'Getting the incentives right' for the formal private sector to move downmarket, the strategy favoured by the World Bank, has largely failed to produce a significant increase of low-cost housing supply (Baken and van der Linden 1993; Jones 1996: 248). Recent literature on urban housing widely agrees that self-help housing is still the only 'architecture that works' (Turner 1968) in sheltering the poor.

Sprawling informal settlements in and around most cities of the world demonstrate the capacity of self-help housing. Of course they are sub-standard, often even squalid, by conventional judgement taken over by governments. Their image as 'slums', however, belies the tremendous economic value they represent² as well as the indispensable role they play in the urban economy. Not only are they the major base of informal sector enterprises which, as Sassen (1991, 1994) argues, gain importance in the process of globalization; in many cities of the world, the majority of the labour force and even civil servants have no access to legal and adequate housing. The role of squatter colonies is fundamental rather than marginal: The urban economy is heavily subsidized by their existence, and cannot function—much less be competitive—without this subsidy (Berner 1997b: 169; Aldrich and Sandhu 1995: 20).

In the urban context, poverty exists in stark and direct contrast to wealth, modernity and progress. Urban poverty is closely related to physical segregation; while it is not restricted to the enclaves of slums and 'depressed areas' it is heavily concentrated in these places. This is reflected in the views of analysts, policy makers and activists. The Philippine newsletter *Anawim* highlights the environmental implications: 'The urban poor have been commonly associated with unemployment, shanties, overcrowding, filth, stink of uncollected garbage, lack or total absence of social services, malnutrition and just about everything that makes life miserable' (3/1987: 4). For Cedric Pugh, 'this visual imagery expresses part of the reality, and it is so plain and obvious that that the nature of the relationship between housing and poverty is seldom explored in-depth' (1995: 34).

The literally fundamental importance of land and housing for understanding urban poverty is increasingly recognized: 'Housing which meets adequate standards as well as cultural definitions of security of tenure is an essential part of a decent standard of living' (Aldrich and Sandhu 1995: 31). UNCHS (1996: 109) prefers 'housing poverty' over other definitions, notably income-based ones, deploring however the lack of reliable and comparable data. The following table presents the 'nature of the relationship between housing and poverty' as a multidimensional one. Substandard informal housing has two major dimensions itself, namely a) lack of quality/infrastructure/space, and b) insecurity. Both are *factors, indicators* and *causes* of poverty.

¹ Harris (1998) points out that many of Turner's ideas were already formulated by Jacob Crane in the 1940s and 1950s.

² These values are still rather indiscriminately destroyed in demolitions. Administrators and planners do not seem to take their commitment to self-help housing promotion all that serious; see next section.

Table 1: Dimensions of housing poverty

Housing as <i>factor</i> of poverty	Lack of quality, infrastructure and services	<ul style="list-style-type: none"> ♦ Quality of life affected by crowding, noise, dirt, pollution, garbage, inadequate facilities ♦ Health affected by lack of sanitation, unsafe water supply ♦ Future prospects affected by restricted access to education
	Insecurity	♦ Even households capable of coping at present may be thrown into emergency by evictions (loss of assets, inaccessibility of income sources)— <i>vulnerability</i>
Housing as <i>indicator</i> of poverty	Lack of quality, infrastructure and services	♦ Reliability: only poor household can be expected to accept the above conditions
	Insecurity	♦ <i>But:</i> Research reveals that <i>not</i> all residents of informal settlements are poor
Housing as <i>cause</i> of poverty	Lack of quality, infrastructure and services	<ul style="list-style-type: none"> ♦ Lack of infrastructure (electricity, water, accessibility) is a liability for enterprises ♦ Bad reputation may put off potential customers
	Insecurity	♦ Investments, particularly in immobile assets and environmental upgrading, are prevented by the risk of demolition

In order to further clarify the argument, we state that housing poverty is largely determined by land supply and allocation. Hardoy and Satterthwaite's (1989: 113) insight that there is no 'housing gap' but a dearth of suitable and affordable land for self-help housing is meanwhile accepted among experts and officials who agree that urban land is the 'essential ingredient' (Murphy 1993: 42). Although Turner's scepticism against governmental activities was well-founded, his plea for a minimalist state has not stood the test of time (Werlin 1999). There is overwhelming evidence that active policies are required in the provision and distribution of the ingredient: 'Land, because of its unique nature and the crucial role it plays in human settlements, cannot be treated as an ordinary asset, controlled by individuals and subject to the pressures and insufficiencies of the market. Private landownership is also a principal instrument of accumulation and concentration of wealth and therefore contributes to social injustice; if unchecked, it may become a major obstacle in the planning and implementation of development schemes' (UN 1976: 61). However, very few national and local governments have proven that they are up to the challenge.

The failure of conventional policies

With the cornerstones of the debate firmly in place, one would expect that effective policies of self-help housing promotion, and of allocation of urban land in particular, had emerged during the last 30 years. However, very few of the 'slum upgrading' and 'sites and services' schemes of the 1970s and 1980s, many of the sponsored by the World Bank, took the land issue into consideration: 'While land tenure was recognised as important, it was not seen as an essential precondition of successful slum upgrading policies' (Werlin 1999: 1524). Even today, UNCHS's 'Best practices' database (www.bestpractices.org) reveals a remarkable lack of land provision policies, a lack that itself needs explanation. We will come back to this question at the end of this paper. Governments' approaches to

land and housing have been oscillating between two extremes: to view housing as a human right, or as a commodity like any other. The latter position gained popularity in the course of structural adjustment; the former has consequently 'gone out of fashion' (Gilbert 1999: 1073), but presently experiences a revival in South Africa where the ANC administration feels dutiful to provide millions of houses to the suffering non-white population. Not surprisingly, implementation is virtually non-existing.

If illegal settlements are merely seen as a violation of private or public property rights, then the forceful and if necessary violent restoration of these rights is the obvious solution. To date, the state has been far more effective in the destruction of mass housing than in its construction. Apart from the legal aspect, massive *demolitions and evictions* are justified by improvement and beautification of the city, removal of centres of crime and health hazards, and more intensive and lucrative use of land in strategic locations (UNCHS 1996: 245f.). Apart from human suffering and trauma and the large-scale destruction of assets, this policy is almost always unsustainable. As relocation sites are rarely provided, and even then in most cases unattractive in terms of location and infrastructure, evicted people find no other resort than to return to informal settlements in the city. In not a few cases they actually reoccupy their old area. A case in point is the Tondo area in Manila where more than 25 years after a large-scale, World Bank sponsored resettlement project (Rüland 1982) huge squatter settlements persist until today.

Social housing produced by the state is the other extreme. With the notable exception of Singapore³, however, governments in developing countries proved to be neither effective nor efficient as housing providers. Typically, immense expenditures for land and production yield negligible output, with the profit pocketed by speculators and poorly monitored contractors. To make things worse, most of the programmes suffer from huge targeting errors. Despite the subsidies, the land costs and adherence to inappropriate building regulations (often derived from colonial models; cf. Hardoy and Satterthwaite 1989: 38ff.) make the products unaffordable for the poor, so they tend to end up in the hands of regimes' cronies and other privileged groups.

Since the 1970s, participation and self-help have become the buzzwords of the low-cost housing debate. *Slum upgrading* and *sites and services* are the major approaches to introduce these elements into practical policies. Both are steps into the right direction: Obviously, it is more efficient to improve existing settlements and provide them with infrastructure than to produce new ones from scratch; and to supply serviced land for self-help housing than to merely watch uncontrolled slum proliferation. Yet the overall performance of upgrading and sites and services schemes is disappointing (UNCHS 1996: 344ff.). Werlin (1999) goes as far as calling slum upgrading a 'myth'.

Again, planning standards for upgrading are often unrealistically high which leads to rising living costs and the uprooting of considerable parts of the population, of course usually the poorest (Hasan 1992). Their resettlement, sometimes welcomed as 'decongestion', causes social, political and financial costs. Inappropriate standards also increase the necessary public investment which either leads to narrow single interventions (e.g., paved pathways) or severely limits the outreach of the programmes. In most Third World cities, newly

³ Apart from the advanced degree of economic development combined with high public revenues, a number of unique factors contributed to Singapore's successful housing policy. Government inherited 40% of the land area and acquired another half of the remainder through a Draconian expropriation. Moreover, as a city state Singapore is able to control migration and thus, demand for housing. Much of the problem is thereby exported to Johor Baru.

emerging slums by far outnumber upgraded old ones in any given period. Even Indonesia's Kampung Improvement Programme (KIP), widely considered as one of the most successful large-scale upgrading schemes, suffers from a fundamental flaw: The question of land tenure is not addressed. Many of the improved settlements are still technically illegal. The resulting insecurity has limited participation and led to considerable maintenance problems (Silas and Indrayana 1988).

The market price for urban land in (more or less) attractive locations also hampered sites and services schemes. Prime land is of course not available for this purpose. Private owners would expect adequate compensation, and governments will be hesitant to 'squander' their own property. In effect, most sites and services projects are carried out in remote peripheral locations, not rarely 30 to 40 kilometres away from the city centres. Only people without any choice will accept these conditions. In a rather typical case from Pakistan, 'out of the 15,000 plots developed, by 1985 only 35 plots were found to be inhabited; the rest remained vacant' (Siddiqui and Khan 1994: 279). In more central locations, serviced sites ended in the hands of affluent groups, often after going through a series of speculation (van der Linden 1986).

This discussion should not create the image that many governments come up with consistent policies at all. The by far most common approach can be labelled as 'muddling through' (Alain Durand-Lasserve) and consists of long periods of negligent tolerance and inactivity, interrupted by either violent campaigns against squatters or by populist distribution of benefits among some of them. The latter includes, particularly in Latin America, the legalisation of certain settlements while carefully avoiding to create a possible legal claim for others

Pal Baross (1990) provides a systematic account on the reasons why conventional policies inevitably end up in the 'too little, too expensive' trap. According to Baross, formal housing development—be it private or public—is characterised by the sequence of Planning-Servicing-Building-Occupation. At each of these steps a steep price increase occurs, usually further fuelled by speculation. In Rio de Janeiro, for instance, the land conversion multiplier (price increase through planning) is estimated at 40, and the land development multiplier (price increase through servicing) at another 11 (UNCHS 1996: 250f.). It is prominently this process that makes formal urban housing an extremely scarce and expensive commodity, an 'architecture that does not work' for a large proportion of the population.

Informal land markets: Why do they work?

Faced with market and state failures, most urban dwellers in the developing world have to rely on their own initiative in order to find shelter. The crucial question is how, or more precisely where, informal settlements emerge. The terms 'spontaneous settlements' and 'clandestine subdivision' suggest that urban land is just there for the taking of enterprising individuals and families. This picture is misleading. Even for the most modest demands, a parcel of land has to fulfil two minimal conditions to be suitable: accessibility (some public transport) and a source of water. To be attractive, it has to be located not too far from the places of employment, i.e. industrial and commercial centres. If idle land of such qualities does exist, it is as a rule *hazardous*. Places like mountain slopes and riverbanks put their inhabitants at physical risk, especially in the tropics where rains come in seasons. Residents of dumpsites and heavily polluted industrial areas are not much better off. If a

suitable site is vacant because it is held back for speculation purposes, the owner will use all means available to evict unwanted occupants.

Invasions

A possible way out is to make use of the sheer force of numbers. Organised invasions of public and private land gained prominence in the 1970s and 1980s and became an icon of social movements analysis. The picture of homeless urban dwellers who group together to take away a piece of land from speculators or listless governments is certainly appealing. The question remains, however, on which basis these groups—which are normally scattered all over the city—are capable of collective action and conflict. Organising is a demanding and expensive endeavour (Nelson 1979: 252ff.; Olson 1971). To form a community organisation before the actual community comes into being requires the intervention of an outside agent whose motives may be either political (as in many Latin American cases; see Gilbert and Ward 1985: 92ff.) or commercial (in which case the term ‘invasion’ is out of place; see below).

An inspection of available data makes clear that caution is indeed advisable in the analysis of invasions. Baken and van der Linden (who soberly call them ‘a form of stealing’) show that the abundance of ‘residual land’, i.e. low quality public land, is a common condition for invasions on a massive scale (1992: 23). In these cases the land is uncontested and can be occupied by squatters even without being organised; again the term invasion is not appropriate. As we have discussed above, abundance of idle land is not a common situation in Third World cities. In other cases, ‘large scale land invasions coincided with particular political circumstances’ (UNCHS 1996: 244), e.g. government crises.

Squatting in marginal locations

A common strategy among squatters can be expressed as ‘Build where nobody else wants to build’. Illegal settlements fill the gaps left by urban development. They are located on riverbanks, along railroad tracks and sewer canals (not rarely the later are covered and used as house foundations), in airports’ approach corridors, on and around dumpsites (which may also be a source of income), on steep hill slopes etc. Reclamation areas at the seaside are occupied years before they are opened for development. An extreme case can be found in Manila where houses are built on top of a large water pipeline. Many of these places are positively dangerous, especially in terms of storms, flooding and landslides; others are disease-prone or at least extremely dirty and noisy. In Port of Spain, Trinidad and Tobago, some settlements pay a death toll almost every rainy season when the ravines they are located in turn into torrential rivers. After the disaster is over, survivors do not hesitate to rebuild the shanties at the same places. Their behaviour is in our view perfectly rational: If gambling your life and that of your family is the price for maintaining access to the city, then it has to be paid. Disasters can be survived, lack of livelihood cannot.

Given these conditions one would expect that at least these marginal settlements can be entered free of charge. Reality is different: Even sidewalk dwellers in India or the Philippines have to pay regular fees to policemen or syndicates. Denis Murphy, one of the most experienced practitioners in the area of housing problems in Asia, comes to the sobering conclusion that ‘there is no free squatting’ (1993: vii; cf. Berner 1997a: 69f.). Paul Baross’s (1983) distinction between non-commercial and commercial articulation of illegal land supply becomes, thus, questionable. Where traditional systems of land allocation exist they are often losing significance or becoming commercialised themselves (see for instance Payne 1997: 6ff.; van Lindert and van Westen 1991).

Extra-legal subdivisions

Although the extent and the characteristics of extra-legal development vary from country to country (as well as between cities and even between settlements) it can be safely stated that it serves a large share of the low income population, and of incoming migrants in particular: ‘Illegal or informal land markets ... have provided the land sites for most additions to the housing stock in most cities of the South over the last 30 or 40 years’ (UNCHS 1996: 239). Among the major influencing factors, all of them interrelated, are a) economic development and political system of a country; b) size and growth of a city; c) availability, quality and ownership status of unsettled land in and around the city; and d) governments’ ability and willingness to enforce the law and implement its policies. Of course the constellation also varies over time. The recent economic crisis in Southeast Asia, for instance, has at least temporarily altered the situation in the affected countries by reducing competition for urban land. Commercial development was reduced as even ongoing building activities became unviable, and many speculators had to sell at almost any price to prevent bankruptcy. At the same time, governments tended to act more tolerant on illegal settlements in order to regain some of the popularity formerly based on continuous economic growth. As of the time of this writing, the pressure on informal settlement has largely returned to the pre-crisis level.

Like in the case of the informal sector, definition of extra-legal subdivision is basically residual: Transactions in the informal land market are not controlled and registered by the authorities. This implies that houses are built without permits and their quality as well as the provision of infrastructure may be below regular standards, which is precisely what makes them affordable for low-income groups: ‘It is their ability to cut corners—and costs—which has helped the commercial subdividers to expand their operations and to provide plots which are more appropriate, affordable and easily available than any other housing option’ (Payne 1989: 2). The land subject to extra-legal subdivision is often zoned for other purposes, e.g. agricultural, recreational or natural reserve. It is obvious that most land suitable for this purpose is located at the urban fringe. It cannot be too remote, however, because unlike middle-class suburbanites, the prospective buyers do not have private vehicles and can ill afford high transportation costs in terms of money and time.

Apart from these common characteristics, there are notable differences in the legal status of settlements. Baken and van der Linden observe a ‘continuum of subdivisions, ranging from almost, or partly, legal to completely clandestine’ (1992: 29). Private land owners may themselves act as developers and sell or rent out parcels. This procedure can be seen as semi-legal as property rights are not violated. Moreover, this type of ‘tolerated invasion’ is beneficial for all parties involved. The settlers find shelter and relative security of tenure at an (at least initially) modest rate; they accept in turn that infrastructure is at best minimal, at worst non-existent, and they have to develop the place by their own devices. The owners not only derive a short-term profit from rent or sales; the settlers convert barren hillsides, marginal fields or swampy marshes into housing land, thereby increasing their value and creating a *fait accompli* for future use. As the land owners usually keep the formal title, they can later capitalise the value added. As we have documented, they may either continuously raise the rent or declare their tenants to be outright squatters when the city closes in on the formerly marginal locations (Berner 1997a: 143ff.).⁴

⁴ The process is not always a ‘victimless offence’: In the Philippines, peri-urban agrarian land is illegally subdivided on a large scale, thus depriving land reform beneficiaries of their legal rights.

A specific form of tolerated invasion is often taking place in and around new factories and industrial zones. Companies are aware that the wages they pay do not allow their workers to find shelter on the housing market, and so they allow them to settle around the factory fences with their families and even sell electricity and water to them. No formal contracts are entered, however, to allow for an easy eviction when the land is needed for extension or the construction of new facilities. Construction sites frequently serve as temporary accommodation for workers who move to the next place when the building is finished.

In the course of commercialisation of urban land markets, the conversion business is increasingly being taken over by professional, tightly organised syndicates which make huge profits out of the housing needs of low-income groups (Amis 1984; Payne 1989). In order to do so they have to be capable of establishing effective control over a suitable piece of land. Like the whole phenomenon of extra-legal subdivision, the strategies of squatter syndicates vary between places and over time. Outright land-grabbing against the expressed will of the legal owner appears to be rare, except in cases where the syndicates have political backing (Baken and van der Linden 1992: 23; Turkstra 1998: 20). Especially in the case of public land, local administrators, police officers and or military personnel almost invariably have a hand in the syndicates—either actively or as recipients of bribes. ‘In the extreme, politicians and officials manipulate the regulations to create artificial shortages and drive people towards the informal sector, which may then be supplied by the public officials acting as private developers but using public land’ (Jones 1996: 250).⁵ Depending on culture and legal system, local strongmen like chiefs (who in parts of Africa have the traditional right to decide on land use) or party officials (who play the same role in some former socialist countries) may also hold stakes.

Developers’ initial investment in infrastructure is restricted to the most basic needs. As we have indicated above, one such necessity is accessibility as people have to get to and from their place of work. As basic access road will attract suppliers of public transport, e.g. communal taxis, tricycles or trishaws (often unregistered themselves); in some countries people accept to walk long ways so that a pathway is sufficient. The second precondition is a source of water for which some faucets are set up, a deep well is drilled or at least a delivery service organised. Illegal electricity taps are not uncommon. Environmental concerns, e.g. with sanitation and garbage removal, are obviously not high on the list of priorities.

The ‘serviced’ land can then be subdivided and sold—what is actually sold is the ‘right to squat’ on a certain plot, and no one mistakes this for a legal title (Payne 1997: 7). It is not uncommon that part of the land is set aside for speculation purposes (UNCHS 1996: 243). Another pattern is slumlordism, i.e. acquisition of several plots by a single person who rents them out with or without a house. The first wave of occupants is commonly organised in a larger group to reduce the vulnerability of the settlement in the critical initial period; this procedure can easily be mistaken for a non-commercial invasion. The going price rates within a city depend on location/centrality, security of tenure and quality of infrastructure. Although empirical evidence is scattered, it can be safely said that the informal land market functions pretty much like its regular counterpart: Comparable plots will yield similar prices. Customers are often renters from other low-cost settlements who have saved enough (or access to sufficient credit) to pay a considerable sum on the spot and save on regular rent payments in future (van der Linden 1990).

⁵ These vested interests help explain the persistence of informal practices, and are crucial obstacles for innovative policies; see concluding section.

Saving on rent is, however, not the only rationale of low income groups' striving for homeownership. A house, even if it is just a shanty in an informal settlement, is after all an *asset*—an asset that is likely to grow in value in the course of urban development. In newer debates about poverty, lack of assets is identified as a major aspect of the poor's vulnerability (e.g., Chambers 1995; Moser 1998). Incremental improvements of the house, in this view, are a form of savings as labour and capital are invested to make the asset more valuable. Hardoy and Satterthwaite, quoting a Brazilian squatter, underline that not only material input is involved: 'The value of my house—26 years of struggle' (1989: 62). Increased security, however, is precarious. First, in case of an eviction the whole property may be lost in an instant (which is just another form of vulnerability); second, even in emergencies people will think twice about selling their house as this may jeopardise their access to their sources of income. Improving security of tenure is thus a major goal for residents of informal settlements.

To sum up, squatting is not a cheap way to live in the city. On top of the price of land 'rights' and other illicit payment, costs of water, electricity and other services are normally much higher than what regular customers pay. Taking into consideration the often congested living conditions and the lack of open space, residents of extra-legal subdivisions may pay just as much money per square meter as those in legal ones, or sometimes even more. The major benefit lies in the possibility of incremental development and building improvement which leads to a spreading of the costs: 'Ultimately, the difference between the two systems is probably not the price limit per se but the way low-income families phase their expenses for housing' (Baross 1990: 7).

Renting and subletting

It should not go unnoticed that homeownership is not the only, or even predominant, form of finding shelter in the cities, although the literature on urban housing seems to suggest this. Rakodi (1995: 791) rightfully criticises this preoccupation and demands greater attention to rental housing. Recent figures compiled by UNCHS indeed suggest that in most cities, the majority of the population is renting accommodation; percentages vary between 20 (La Paz) and 91 (Thika, Kenya), and there are significant differences between and even within countries (1996:212f.). It is plausible to assume that a large proportion of these tenants is poor, and renting because owner occupation is not accessible to them. Hardoy and Satterthwaite (1989: 68f.) note that overcrowding, lack of facilities and poor maintenance are common characteristics of most rental housing for low-income groups.

Apart from this, there is a wide variation of rental sub-markets in terms of accessibility and quality of infrastructure of the location, form and security of tenure, and the quality of housing and facilities. Conditions range from contract-regulated tenure in public housing estates via renting a room or bed in illegal settlements to 'hotbed' systems where two or three persons use the same bed in shifts. Rapid changes of population in many forms of rental accommodation impede collective action aiming at improvements. Moreover, it has been observed that renters are often socially marginalised and excluded from community organisations (Berner 1997a: 132f.).

The complexity of the problem makes a detailed analysis within this paper impossible.⁶ There is, however, a close relation between land markets and rental accommodation: 'In many cities, the bulk of affordable rental housing is now provided in the homes of low-

⁶ For recent accounts, see Rakodi (1995), the contributions in *Environment and Urbanization* 9, no. 2, 1997, and Kumar's (1996) paper on petty landlordism.

income homeowners—whether they have legal, semi-legal or no legal tenure of their land and house’ (UNCHS 1996: 217). In established, centrally located settlements the proportion of tenants is usually very high. The profit rates to be realised by renting to low-income groups are uninteresting for large formal-sector developers, but for squatters and smallholders these provide a significant source of income. Especially if they have to pay back loans or mortgages, investment in rental housing is a likely strategy. On the basis of simple demand-supply laws it can be concluded that enhanced access to urban land for prospective homeowners will also lead to improved conditions for tenants, i.e. lower rents and/or better quality of accommodation.

Facilitating self-help housing: Innovative approaches

The Philippine ‘Community Mortgage Program’ (CMP)⁷

The housing situation in Metro Manila and other urban centres in the Philippines is rather typical for a developing country. To date, neither the market nor the state have accomplished much in terms of mass housing. Housing policies under the Marcos regime had remained fragmented and largely ineffective (see Berner 1997a: 28ff. for a comprehensive discussion). Ambitious programmes of public housing turned out far too expensive for the alleged target group of the urban poor and served mainly the regime’s vassals. Relocation to mostly unserviced sites outside the cities and, even more frequently, large-scale demolition remained the favoured ‘solution’ to the housing problem. As a result, roughly half of the Philippines’ urban population is living in illegal settlements on public or private land.

The ‘Community Mortgage Program’ (CMP) was the first result of the paradigm shift towards enabling government in the field of housing, aiming at a more equitable *and* more rational use of urban land. The programme was passed in 1988 and launched in 1989, but significant implementation was started only under the Ramos administration after 1992. In 1992 it was integrated into the framework of the Urban Development and Housing Act (UDHA) which is, at least in principle, a comprehensive approach to the problems in question. Both CMP and UDHA came into being as a reaction to intensive lobbying by non-government organisations (NGOs) and grassroots groups.

In a nutshell, the CMP is offering squatters the opportunity to buy the land they occupy (or comparable land if that is not possible, e.g. in case of priority projects) without compulsory, costly upgrading measures.⁸ Like other recent credit programmes (e.g., the Grameen Bank’s schemes), the CMP requires beneficiaries to be organised as the land titles are transferred to associations rather than individuals. After the residents and the respective landowner have agreed on a price, the land is paid for through a state credit which is to be repaid over a period of 25 years. NGOs are functional in all stages of the process: They inform the squatters about the legal requirements (i.e., official registration of the association), assist them during the negotiations with the owner, offer services like

⁷ Parts of this section are based on Berner (forthcoming).

⁸ With land acquisition being Stage I, the program provides for two more stages, namely ‘site development’ (sewerage, road construction etc.) and ‘home improvement/house construction’. So far, however, virtually all loans have been for Stage I, and we presume that land acquisition will remain the crucial and by far most voluminous part of the program.

surveying and legal consultations, and serve as ‘originators’ (guarantors) of the loan.⁹ The crucial problem of all credit programs of poverty alleviation—the target group’s lack of a collateral which results in poor recovery rates—is thereby avoided: First, there *is* a collateral as defaulters will lose their land titles after a period of grace; and second, NGO originators will put pressure on the residents’ associations which pass it on to their tardy members. Another advantage of the CMP is its cost-efficiency. A maximum output can be realised on limited fiscal burdens by capitalising unproductive public property. Much of the land in question is owned by government, and private owners can be compensated in kind through land swapping schemes.¹⁰

The question remains, however: How and why does the CMP work? It is at the surface a quite conventional consolidation scheme, market-oriented in a almost neo-liberal way, and fully committed to the goal of cost recovery. Despite allegedly aiming at the poorest 30% of the urban population, there is no regulated price discount. Subsidised interest rates have a very limited effect on beneficiaries’ burden—the subsidy is indeed criticised as jeopardising the programme’s sustainability (Lee 1995). As compulsory expropriations are not provided for, the owner can expect to get the full value of his land. In short: The CMP alone is not suitable to solve the sharpening contradiction of high land prices and the low incomes of the large majority of the population. Under market rules, it would at best produce middle class settlements at the urban fringe.

Access to urban land—or the ‘right to the city’, as Lefebvre (1974) puts it—is, however, not exclusively regulated by the market mechanism but an eminently *political* issue. The distribution of space in the city cannot be grasped without the added dimension of conflict and struggle (Berner 1997a: 38f.; Castells 1983: 3). The existence of potential and actual resistance against displacement is a precondition for the meaningful implementation of the CMP. Urban land is significantly depreciated by squatter occupation as it is not available for the market just like that. The market value of land is fictitious in considerable parts of the city: An owner can dictate the price only if he is able to establish actual control of his land. This process is tedious, costly and risky. As the residents are often capable of organising themselves and find allies among NGOs, media, church people and local politicians (Berner and Korff 1995), the outcome of an eviction attempt is hardly calculable for the landowner. On the background of this situation, landowners are willing to offer substantial discounts: In the cases we observed, residents paid only about 15-20% of the market price of comparable idle land in the vicinity. The resulting expenses are in most cases considerably lower than the rent for a single room at the same place.

The CMP has been quite successful in Manila and other Philippine cities because it offers the chance for a compromise between contradictory logics of action: The owners can sell their land and ‘revive’ dead capital, albeit at reduced prices, without the incalculable costs and risks of a demolition; the squatters can ‘buy security’ and preserve their settlement from the permanent threat of eradication that has never been calculable for them.

⁹ NGO involvement is, however, not a necessary condition. We have documented the case of a squatter association which went through the whole process without any outside assistance. The mastermind of this success was a Philippine Army commander, himself a resident, who had studied law before his military career (Berner 1997a: 151f.).

¹⁰ This advantage has proven to be rather theoretical. In practise, cash-stripped state agencies, just like private owners, tend to sell public property to the highest bidder. The conversion of Fort Bonifacio in Makati into a high-class commercial-cum-residential area is a case in point.

One of the unintended consequences of the CMP is its divisive impact on the participating communities: ‘Ironically, the ultimate success of one local organization – the legal purchase of the locality land through the Community Mortgage Program – had a deeply disruptive impact on the community. For about one third of the population, mainly the poorer ones, it meant that they had to pay for the land they used to live on for free, and pay more than they could afford’ (Berner and Korff 1995: 217). The more specific the figures of future payments are the more people decide that they cannot accept the necessary cutbacks on consumption or are altogether unable to shoulder the financial burden. A family with sufficient income sources in the settlement or its vicinity will be willing to pay much more than those who commute long ways or have no regular job at all. What starts as a process of internal division is almost inevitably turning into open and violent conflict. After the transfer of property rights, the association has to pay for the land, more precisely: for *all* of the land; the owners are not interested in selling scattered plots, keeping those whose occupants wish to remain squatters. The beneficiaries, thus, not only have to pay for their own land but also for that of non-members. On the other hand, there is plenty of demand for the land in question from within and outside the settlement. Many residents would like to enhance their congested living conditions, build rooms to rent them out, or invite relatives in the province to move to Manila; for others, the former squatter land is simply an outstanding bargain. While the marginal segments of the population are expelled by their neighbours and forced to move on to find shelter in other squatter settlements, the former slums become middle class areas.¹¹ This change is very visible: No longer forced to keep their property mobile, the new landowners invest heavily in upgrading and extensions of their houses and the beautification of the environment.

Hyderabad’s incremental development scheme ‘Khuda ki Basti’ (KKB)¹²

Unlike the CMP and for reasons to be discussed in this section, the incremental development scheme in the Pakistani city of Hyderabad has remained an isolated intervention (notwithstanding a small-scale replication in Ghara which was initiated by an NGO without clear authorisation by the government). However, Khuda ki Basti (i.e., settlement of God) went farthest in terms of ‘learning from informal markets’ by actually imitating illegal developers’ strategies, and is thus exemplary for the argument of this paper. It came into being in 1986 as the Hyderabad Development Authority’s (HDA) reaction to a familiar situation: government-produced townships occupied by the middle classes, gaping void in sites and services projects, and rampant illegal subdivision and squatting.

Based on the late Jan van der Linden’s groundbreaking ideas, HDA set aside 100 hectares of a large sites and services scheme some twelve kilometres outside the city centre, but only one kilometre away from a rapidly growing cluster of squatter settlements. The land was subdivided into 70 square metre plots and serviced only by the two essentials, namely a feeder road and communal water supply. The costs for this initial infrastructure were covered by a modest ‘entry fee’ of US\$33, thereby undercutting the going rates on the informal market by as much as two thirds (Siddiqui and Khan 1994: 283). However,

¹¹ This process is, however, merely an acceleration of what goes on in informal markets anyway. Informal brokers are quite ready to go up-market: The more attractive a settlement is in terms of location, security, infrastructure and services, the higher are the prices charged by them, and the more families are evicted with or without some compensation (Gilbert 1990).

¹² This section is largely based on Aliani and Sheng (1990), Siddiqui and Khan (1994) and van der Linden (1997b). Thanks go to Monique Peltenburg who provided first-hand knowledge.

complete exclusion of the informal sector was not attempted; suppliers of simple building materials, credit and advice were allowed in the area.

A simple one-window procedure and non-implementation of building regulations except for the layout, were the fundamental preconditions for the success of the scheme. Both the HDA and the support NGO Saipan maintained offices at the site to provide advisory service and monitor the implementation. Beneficiaries could improve their houses over time according to their individual financial capacities, and additional infrastructure was provided if and when certain amounts of savings—note: no instalments—could be collected. If the target of US\$1.75 per month was met, full ownership of a fully serviced plot could be obtained in a period of 15 years. Whereas there was a certain number of defaulters, others accumulated funds far in excess of the targets in order to get facilities quickly.

To achieve targeting and discourage speculators, the unique system of ‘reception camps’ was applied for a certain period of time. Only families who came to these camps with all their belongings and stayed for a number of days were eligible for a plot.¹³ Beneficiaries had to start construction immediately, and land titles (or rather entitlements called ‘dwelling permits’) were given only after completion of a house and could be cancelled if the plot was vacant or the house left. This method of self-targeting made the scheme unattractive for non-poor, to an extent that one can actually speak of over-targeting. The presence of some better-off people with higher education in ‘real’ informal settlements is beneficial to the communities as they provide employment as well as leadership (Berner 1997b: 175). KKB’s marked social homogeneity led to a low level of local economic activities (and may have contributed to difficulties in community organising, see below). This became obvious when during ethnic turmoil between 1989 and 1992, transport to Hyderabad was difficult and nearly half of the residents left the area.

Not surprisingly, fiercest resistance against the scheme was put up by informal developers. It is quite obvious (but often overlooked) that syndicates and middlemen will not easily accept to be ‘eliminated’. In the KKB case, land-grabbers connected with the Board of Revenues (the supposed custodian of public land) invaded the scheme by extorting ‘fees’ from bona-fide residents, encroaching on parts of the land, and threatening HDA personnel with violence and abduction. Putting up a police post even worsened the situation as the police took the side of the syndicate and themselves harassed the residents (Siddiqui and Khan 1994: 288). Even more threatening was the lands-grabbers’ influence in the political and administrative system. Several serious attempts to sabotage and outright abolish the scheme were frustrated only because it had gained some national and international recognition (interview with Monique Peltenburg, a co-worker of van der Linden). Non-replication despite clear advantages over the conventional sites and services approach, however, seems to indicate that vested interests in informal housing eventually prevail in Pakistan.

On a more general line, KKB reveals the limitations of innovative schemes ‘without basic changes in society’s power structure ... and even without any definite political programme in favour of the poor’ (Siddiqui and Khan 1994: 289). Community participation in the KKB case was merely technical. Residents were unable to effectively organise themselves and remained caught in the dependency of traditional patron-client relations (van der

¹³ As it turned out, the system was prone to misuse and has ‘not performed very well as a sieve to select genuine applicants’ (van der Linden 1997b: 40). Both HDA personnel and middlemen collected bribes for allowing families to leave early or altogether bypass the procedure.

Linden 1997a). Instead of getting legitimate demands fulfilled they received *favours* that could be withdrawn, and easily withheld from others in need.

Conclusions

On the basis of the discussion in this paper, a number of lessons for sustainable housing and land use policies can be drawn. In Jan van der Linden's words, 'what is needed in brief is a bridging of the gap between the legal and the illegal systems, starting with the recognition that illegal systems have in the past achieved far more than any official initiative' (1994: 225).

- There is always a necessity for active policy in urban environments. To expect a rational distribution of urban land from the forces of the market has proven to be a mistake, to say nothing about an equitable one. Industrial and commercial ventures are able to bid much more for the use of limited urban space than all but the wealthiest groups. Even in the industrialised countries, governments take this into consideration by applying a certain policy mix of zoning, land price control/taxation, rent ceilings, provision/support of low-cost housing, and/or rent subsidies.
- Given governments' limited resources and capacity they should altogether abandon the role of a housing provider and turn towards a truly enabling approach. In other words: They should contribute the 'essential ingredient', namely land, and leave housing production to people's initiative. Effective co-operation between government and other actors, NGOs and the private sector in particular, is an essential element of the enabling approach.
- The conventional sequence of Planning-Servicing-Building-Occupation turns raw land into a scarce and expensive commodity, especially if cumbersome administrative procedures and transaction costs are considered. The lesson to be learned from illegal subdividers is to reverse this sequence: Start with absolutely minimal infrastructure and services and allow for *incremental* development of individual houses and settlements. This strategy implies a thorough revision of regulated standards, and an annulment of most of them.
- The fundamental importance and tremendous economic value of the existing housing stock—whether or not it was produced legally—needs to be recognised. This implies large-scale consolidation and legalisation of squatter settlements. Insecurity of tenure, apart from increasing people's vulnerability and putting their assets into jeopardy, is a major detriment of investments: As squatters are forced to keep their property mobile they are reluctant to put money into productive ventures.
- Insecurity is also a fundamental cause of the persistence of unsanitary conditions. Environmental upgrading requires considerable investments and long-term commitment of the residents, e.g. in non-pollutive sanitation and waste disposal management (Lee 1999). Such contributions are unlikely if people are unsure whether they will enjoy the benefits.
- If demolitions are unavoidable an adequate relocation site is crucial. Relocation to the places far away from the cities is not accepted by the 'beneficiaries' and has to be forced on them at high economic, social and political costs. Moreover, it is not sustainable as many of the affected families return to the city, not seldom to their original site.

Strategies aiming at equitable and sustainable urban development have to be two-pronged: They have to preserve as much as possible of the existing housing stock and facilitate its upgrading without making it unaffordable for the original residents (or at least most of them); and they have to provide sufficient space for new low-cost settlements, be it through the use of public land or through expropriations. The examples discussed demonstrate how this strategic orientation translates into practical policies. They are certainly not without flaws, and scale and consistency of implementation leave much to be desired. A comprehensive approach towards urban poverty alleviation will require elements of several programmes, integrated with measures of income and employment generation and human resource development (see UNCHS/ILO 1995). There can be little doubt, however, that the both the CMP and KKB are/were steps into the right direction. Both programmes have effectively enhanced the supply of land and housing for low-income groups, albeit on a very different scale.

Their replicability is a question of political will rather than a technical one. The Hyderabad case exemplifies that vested interests in both formal and informal land markets are likely to put up stiff resistance against serious reforms in this sector. There is huge money made in informal housing. The profiteers, if not holding public office themselves, can be expected to be politically well connected. Only continuing pressure from below, as put up in the Philippine case by the alliance of NGOs and local organisations, may ensure that solutions will be sustainable.

References

- Aldrich, Brian C. and Ravinder Sandhu, 1995: The Global Context of Housing Poverty. Pp. 17-33 in: Aldrich, Brian C. and Ravinder Sandhu (eds.): *Housing the Urban Poor: Policy and Practice in Developing Countries*. London: Zed.
- Aliani, A.H. and K.S. Sheng, 1990: The Incremental Development Scheme in Hyderabad: An Innovative Approach to Low-income Housing. *Cities* 7, no.2, 133-148.
- Amis, Philip, 1984: Squatters or Tenants: The Commercialization of Unauthorized Housing in Nairobi. *World Development* 12, no. 4, 87-96.
- Baken, Robert-Jan and Jan van der Linden, 1992: *Land Delivery for Low Income Groups in Third World Cities*. Aldershot: Avebury.
- Baken, Robert-Jan and Jan van der Linden, 1993: 'Getting the Incentives Right': Banking on the Formal Private Sector. *Third World Planning Review* 15, no. 1: 1-22.
- Baross, Pal, 1983: The Articulation of Land Supply for Popular Settlements in Third World Cities. Pp. 180-210 in: Shlomo Angel, Raymon W. Archer, Sidhijai Tanphiphat and Emiel A. Wegelin (eds.), *Land for Housing the Poor*. Singapore: Select.
- Baross, Pal, 1990: Sequencing Land Development: The Price Implications of Legal and Illegal Settlement Growth. Pp. 57-82 in: Pal Baross and Jan van der Linden (eds.), *The Transformation of Land Supply Systems in Third World Cities*. Aldershot: Gower.
- Berner, Erhard, forthcoming: Poverty Alleviation and the Eviction of the Poorest: Towards Urban Land Reform in the Philippines. *International Journal of Urban and Regional Research* 23
- Berner, Erhard, 1997a: *Defending a Place in the City: Localities and the Struggle for Urban Land in Metro Manila*. Quezon City: Ateneo de Manila University Press.
- Berner, Erhard, 1997b: Opportunities and Insecurities: Globalisation, Localities and the Struggle for Urban Land in Manila. *European Journal of Development Research* 9, no.1, 167-182. Also published in Cristobal Kay (ed.): *Globalisation, Competitiveness and Human Security*. London: Cass.
- Berner, Erhard and Rüdiger Korff, 1995: Globalization and Local Resistance: The Creation of Localities in Manila and Bangkok. *International Journal of Urban and Regional Research* 19, no. 2: 208-222.
- Castells, Manuel, 1983: *The City and the Grassroots*. London: Arnold.
- Chambers, Robert, 1995: Poverty and Livelihoods: Whose Reality Counts? *Environment and Urbanization* 7, no. 1: 173-204.
- Durand-Lasserve, Alain, 1997: Regularizing Land Markets. *Habitat Debate* 3, no. 2, 11-12.
- Gilbert, Alan, 1990: The Costs and Benefits of Illegality and Irregularity in the Supply of Land. Pp. in: Pal Baross and Jan van der Linden (eds.), *The Transformation of Land Supply Systems in Third World Cities*. Aldershot: Gower.
- Gilbert, Alan, 1999: A Home is for Ever? Residential Mobility and Homeownership in Self-help Settlements. *Environment and Planning A* 31, no. 6, 1073-1092.
- Gilbert, Alan and Peter Ward, 1985: *Housing, the State and the Poor: Policy and Practise in Three Latin American Cities*. Cambridge: Cambridge University Press.

- Hardoy, Jorge E. and David Satterthwaite, 1989: *Squatter Citizen: Life in the Urban Third World*. London: Earthscan.
- Harris, Richard, 1998: A Crank's Fate and the Feting of a Visionary: Reflections on the History of Aided Self-help Housing. *Third World Planning Review* 20, no. 3: iii-viii.
- Hasan, Arif, 1992: Housing Policies and Approaches in Changing Urban Context. Paper prepared for UNCHS and PGCHS, Leuven: Catholic University.
- Jones, Gareth A., 1996: The Difference Between Truth and Adequacy: (Re)joining Baken, van der Linden and Malpezzi. *Third World Planning Review* 18, no. 2: 243-256.
- Kolstee, Theo, Joep Bijlmer and Fon van Oosterhout, 1994: *Urban Poverty Alleviation*. The Hague: Ministry of Foreign Affairs.
- Kumar, Sunil, 1996: Subsistence and Petty Capitalist Landlords: A Theoretical Framework for the Analysis of Landlordism in Third World Low Income Settlements. *International Journal of Urban and Regional Research* 20, no. 2: 317-329.
- Lee, Michael, 1995: The Community Mortgage Program: An Almost-Successful Alternative for some Urban Poor. *Habitat International* 19, no. 4, 529-546.
- Lee, Yok-Shiu F., 1998: Intermediary Institutions, Community Organizations and Urban Environmental Management: The Case of Three Bangkok Slums. *World Development*, 26, 993-1011.
- Lefebvre, Henri, 1974: *Le droit à la ville suivi de Espace et politique*. Paris: Anthropos
- Linden, Jan van der, 1986: *The Sites and Services Approach Reviewed*. Aldershot: Glover
- Linden, Jan van der, 1990: Rental Housing of the Urban Poor in Pakistan: Characteristics and some Trends. Pp. 50-55 in: UNCHS (United Nations Centre for Human Settlements, ed.), *Rental Housing: Proceedings of an Expert Group Meeting*. Nairobi: UNCHS.
- Linden, Jan van der, 1994: Where Do We Go from Here? *Third World Planning Review* 16, no. 3, 223-229.
- Linden, Jan van der, 1997a: On Popular Participation in a Culture of Patronage: Patrons and Grassroots Organizations in a Sites and Services Project in Hyderabad, Pakistan. *Environment and Urbanization* 9, no. 1, 81-90.
- Linden, Jan van der, 1997b: Policies Put into Practice (Consultant's report). Amsterdam: Free University.
- Lindert, Paul van and August van Westen, 1991: Household Shelter Strategies in Comparative Perspective: Evidence from Low-Income Groups in Bamako and La Paz. *World Development* 19, no. 8: 1007-1028.
- Moser, Caroline O.N., 1998: The Asset Vulnerability Framework: Reassessing Urban Poverty Reduction Strategies. *World Development*, 26, no 1: 1-19.
- Murphy, Denis, 1993: *The Urban Poor: Land and Housing*. Bangkok: Asian Coalition for Housing Rights.
- N'Dow, Wally, 1996: Introduction. Pp. xxi-xxiv in: UNCHS (United Nations Centre for Human Settlements, ed.) *An Urbanizing World: Global Report on Human Settlements 1996*. Oxford: Oxford University Press.

- Nelson, Joan M., 1979: *Access to Power: Politics and the Urban Poor in Developing Nations*. New York: Princeton University Press.
- Olson, Mancur, 1971: *The Logic of Collective Action*. Cambridge: Harvard University Press.
- Payne, Geoffrey, 1989: *Informal Housing and Subdivisions in Third World Cities: A Review of the Literature*. Oxford: CENDEP.
- Payne, Geoffrey, 1997: *Urban Land Tenure and Property Rights in Developing Countries: A Review*. London: Intermediate Technology.
- Pugh, Cedric, 1995: The Role of the World Bank in Housing. Pp. 34-92 in Brian C. Aldrich and Ravinder Sandhu (eds.) *Housing the Urban Poor: Policy and Practice in Developing Countries*. London: Zed.
- Pugh, Cedric, 1997: The Changing Roles of Self-help in Housing and Urban Policies, 1950-1996. *Third World Planning Review*, 19, no. 1, 91-109
- Rakodi, Carole, 1995: Rental Tenure in the Cities of Developing Countries. *Urban Studies* 32, nos. 4-5, 791-811
- Rüland, Jürgen, 1982: *Squatter Relocation in the Philippines: The Case of Metro Manila*. Research Paper no. 5, Lehrstühle Geowissenschaften, Bayreuth: Universität Bayreuth.
- Siddiqui, Tasneem A. and M. Azhar Khan, 1994: The Incremental Development Scheme. *Third World Planning Review* 16, no. 3, 277-291.
- Sassen, Saskia, 1991: *The Global City: New York, London, Tokyo*. New York: Princeton University Press.
- Sassen, Saskia, 1994: *Cities in a World Economy*. Thousand Oaks: Pine Forge Press.
- Silas, Johan and Eddy Indrayana, 1988: Kampung Banyu Urip. Pp. 165-183 in: Bertha Turner (ed.) *Building Community: A Third World case book*. London: Habitat International Coalition.
- Turkstra, Jan, 1998: *Urban Development and Geographical Information: Spatial and Temporal Patterns of Urban Development and Land Values Using Integrated Geo-Data, Villavicencio, Colombia* (PhD Thesis). Utrecht: University of Utrecht.
- Turner, John F.C., 1968: The Squatter Settlement: An Architecture that Works. *Architectural Design* 38, no. 4, 357-360.
- Turner, John F.C., 1976: *Housing by People: Towards Autonomy in Building Environments*. London: Boyars.
- UN (United Nations, ed.), 1976: *Report of Habitat: United Nations Conference on Human Settlements*, Preamble, Section D. New York: United Nations.
- UNCHS (United Nations Centre for Human Settlements, ed.), 1996. *An Urbanizing World: Global Report on Human Settlements 1996*. Oxford: Oxford University Press.
- UNCHS/ILO (United Nations Centre for Human Settlements and International Labour Office, eds.), 1995: *Shelter Provision and Employment Generation*. Nairobi and Geneva: UNCHS/ILO.
- Werlin, Herbert, 1999: The Slum Upgrading Myth. *Urban Studies*, 36, no. 9: 1523-1534.